

206398



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December 5, 2002

The Honorable Jeffrey Runge, M.D.  
Administrator  
National Highway Traffic Safety Administration  
Docket Management, Room PL-401  
400 Seventh Street, S.W.  
Washington, D.C. 20590

DEPT OF TRANSPORTATION  
DOCKET  
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Re: Docket No. NHTSA 2001-8677 (Early Warning Reporting Provisions of the TREAD Act)

**JOINT PETITION FOR EXTENSION OF EARLY WARNING REPORTING COMPLIANCE DATES,  
SUBMITTED BY THE RECREATION VEHICLE INDUSTRY ASSOCIATION AND THE NATIONAL  
TRUCK EQUIPMENT ASSOCIATION**

Dear Dr. Runge:

The Recreation Vehicle Industry Association ("RVIA") and the National Truck Equipment Association ("NTEA") hereby submit to the National Highway Traffic Safety Administration ("NHTSA") the following Joint Petition for Extension of Early Warning Reporting Compliance Dates regarding the above-referenced final rule ("Petition"). This final rule adopts regulations implementing certain requirements of the Transportation Recall Enhancement, Accountability, and Documentation ("TREAD") Act.

RVIA is a national trade association that represents manufacturers and component part suppliers of recreation vehicles ("RVs"), including motorhomes, travel trailers, fifth wheel trailers, folding camping trailers and truck campers, as well as conversion vehicle manufacturers who upfit vans, pickup trucks and sport utility vehicles ("CVs"). RVIA's members produce over 95% of all RVs (including 99% of all motorhomes) and approximately 90% of all CVs sold in the United States. At present, RVIA represents 38 motorhome manufacturers, with an estimated aggregate annual production of 49,200 motorhome units in 2001; 51 members that manufacture RV trailers, with an estimated aggregate annual production of 197,700 trailer units in 2001; and 43 CV members, with an estimated aggregate annual production of approximately 64,200 CV units in 2001.

The NTEA is the nation's only trade association representing distributors and manufacturers of multi-stage produced, work related trucks, truck bodies and equipment. The NTEA also represents various industry-related firms and organizations. The NTEA currently has over 1,500 member companies located throughout the nation. Most NTEA members are small businesses that sell on a local or regional basis. Vehicles produced by NTEA member companies for commercial or vocational use include, but are not limited to, fire trucks, ambulances, utility company vehicles, aerial bucket trucks, tow trucks, beverage delivery trucks, digger derricks, dump trucks, contractor vehicles and snow removal vehicles.

RVIA and NTEA hereby respectfully request that NHTSA extend for a period of six months the dates that motorhome, multi-stage produced vehicle, alterer, trailer and their equipment manufacturers must comply with regarding the early warning reporting provisions of the TREAD Act, as they currently are set forth in the above-referenced final rule.

The great majority of RV, CV and work-truck and equipment manufacturers are small businesses that produce a limited number of vehicles each year. Almost all of these businesses (with few exceptions) are "small entities" as defined in the Small Business Administration's Small Business Size Regulations, 13 CFR §121.201 (2000). Consequently, RV, CV and work-truck and equipment manufacturers have very limited monetary resources and personnel available to spend on compliance with these costly requirements.

An even larger concern is the low level of awareness and understanding of the requirements by affected entities that are not huge and sophisticated automobile manufactures. The magnitude of this significant problem is just now coming to light. A seminar on early warning reporting compliance, co-sponsored by RVIA, NTEA and others representing significant numbers of small volume vehicle and vehicle equipment manufacturers, was held in Washington, D.C. on November 14, 2002. The principal presenter at this seminar was Ms. Erika Jones, a legal counsel consultant to the Alliance of Automobile Manufacturers and a former NHTSA chief counsel. Ms. Jones warned the 120 attendees that manufacturers must begin investing immediately in start-up equipment, software and personnel hiring and training. She further emphasized that implementation of data coding should already be in place and warned that complex coding and tracking systems can not be set up and put into operation overnight.

Unlike the large and resource-rich manufacturers of passenger automobiles, most affected smaller companies do not yet even fully understand the extent of their responsibilities under the early warning reporting requirements. Their emerging awareness of these requirements at this late date renders their timely compliance difficult to achieve. Moreover, these companies have many unanswered questions regarding the practical application of the new regulatory responsibilities to their specific operations – questions for which solutions are not readily available.

On August 26, 2002, RVIA timely filed a Petition for Reconsideration (see Attached) requesting that the 500 vehicle production threshold, below which small volume manufacturers will be subject to reduced reporting requirements under the regulations, be increased to a 5,000 vehicle production threshold. RVIA noted that by setting this threshold at 5,000 vehicles, NHTSA will not only be maintaining consistency with similar thresholds in the Federal Motor Vehicle Safety Standards ("FVMSS"), but also with definitions of small volume manufactures

that appear in regulations issued by the Environmental Protection Agency. It was further noted that such a consistent threshold will allow small manufacturers with limited resources to plan for proper compliance both now and in the future. NHTSA has not yet responded to this Petition for Reconsideration, although a decision is eagerly anticipated as soon as possible.

The NTEA timely filed a Petition for Reconsideration on August 9, 2002 (see Attached). This Petition requested that NHTSA reconsider the small volume manufacturer threshold and increase it from 500 total vehicles to 2,500 per model with a manufacturer total of 10,000 or 5,000 total vehicles if NHTSA wanted to maintain a single annual total threshold. Similar to the RVIA petition, NHTSA has not yet responded to the NTEA's Petition for Reconsideration.

Even if the RVIA and/or NTEA Petitions for Reconsideration are granted, the Petitioners still respectfully request that the extensions of time outlined in this Joint Petition be granted, for the reasons discussed herein.

It is understandable that many small volume manufacturers are moving cautiously in expending the significant funds necessary to set up a full early warning reporting compliance system, while awaiting NHTSA's ruling on outstanding Petitions for Reconsideration. Not only are these businesses just now developing their understanding of the requirements, but they are also hesitant to spend a large amount of sorely needed monetary and personnel resources on developing a full and complex compliance system while a reasonable possibility still exists that NHTSA will respond favorably to the Petitions for Reconsideration by raising the annual production threshold. Such a result will render many of these small manufacturers subject only to the much less costly reduced reporting requirements. However, the risk in this prudent course of action is that these same manufacturers may not have sufficient time to prepare for compliance in the event that NHTSA's response to the Petitions for Reconsideration is unfavorable. Clearly, these small volume manufacturers are caught in an unenviable dilemma.

Consequently, RVIA and NTEA respectfully request that NHTSA extend by six months all of the dates for motorhome, multi-stage produced vehicle, alterer, trailer and their equipment manufacturers' compliance with the early warning reporting provisions of the TREAD Act set forth in 49 CFR §579.24. The Petitioners ask that the first calendar quarter for which compliance is required be the fourth quarter of 2003. The first quarterly report would then be due on February 29, 2004 and the one time historical report would be due on March 31, 2004. All other due dates in 49 CFR §579.24 for these manufacturers would similarly be delayed by six months. In the alternative, the Petitioners request that such a six month extension of compliance dates be granted to all affected manufacturers that meet the Small Business Administration's definition of "small entities," as stated in 13 CFR §121.201.

The Petitioners also respectfully request that NHTSA establish a toll free telephone number help line to facilitate a means for affected manufacturers to get assistance on their responsibilities under the new requirements. Such a help line will benefit both these manufacturers and NHTSA.

We believe that this additional time will benefit NHTSA's goal of collecting useful and accurate trend data. A major concern of multi-stage produced vehicle manufacturers (see 49 CFR §567.5) is that communication and coordination issues between multiple warrantors will lead to double or triple reporting and inaccurate data being transmitted to NHTSA for analysis. For example, the average RV contains 50 to 100 components which are warranted by warrantors other than the RV manufacturer. Similarly, multi-stage produced work-trucks are assembled

using numerous components and pieces of equipment from many suppliers and manufacturers. Reporting on all of these components would be voluminous and further complicated by the fact that the warranty coverage periods vary by motorhome manufacturer, final stage work-truck manufacturer and component manufacturer. The possible double or triple reporting (by the RV, work-truck, truck body, chassis and component part manufacturers) of data under the early warning requirements could undermine the effectiveness of NHTSA's task. A granting of additional time to these manufacturers will allow them an opportunity to work through these potential communication and coordination issues, thus ensuring a more useful database.

The requested six month extension will allow time for these smaller manufacturers to become better educated about their responsibilities under the early warning reporting requirements and for NHTSA to establish the production threshold demarking which manufacturers must comply with the full requirements and which will be subject to the reduced requirements for small volume companies. It will also give motorhome, multi-stage produced vehicle, alterer, trailer and their equipment manufacturers sufficient time to raise the capital necessary to comply and to implement the initial changes in their data collection systems, as well as an opportunity to work out any start-up problems that may arise. Ultimately, such an extension will significantly benefit NHTSA by increasing the likelihood that the collection and transmission of the trend-forecasting information it needs to carry out its mission under the TREAD Act will proceed smoothly and efficiently, with minimal start-up difficulties.

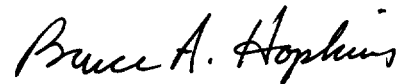
Thank you for the opportunity to present the foregoing Joint Petition.

Sincerely,



Michael E. Kastner  
Director of Government Relations  
National Truck Equipment Association

Sincerely,



Bruce A. Hopkins  
Vice President, Standards and Education  
Recreation Vehicle Industry Association

August 26, 2002

The Honorable Jeffrey Runge, M.D.  
Administrator  
National Highway Traffic Safety Administration  
Docket Management, Room PL-401  
400 Seventh Street, S.W.  
Washington, D.C. 20590

Re: Final Rule Regarding Reporting of Information and Documents About  
Potential Defects: Retention of Records That Could Indicate Defects (67 Fed.  
Reg. 45824, July 10, 2002) Docket No. NHTSA 2001-8677, Notice 3; and

Re: Request for Public Comment on Proposed Collection of Information (67  
Fed. Reg. 42843, June 25, 2002) Docket No. NHTSA 2001-8677, Notice 2

**PETITION FOR RECONSIDERATION SUBMITTED BY  
THE RECREATION VEHICLE INDUSTRY ASSOCIATION**

Dear Dr. Runge:

The Recreation Vehicle Industry Association ("RVIA") hereby submits the following Petition for Reconsideration of the final rule adopted in the above-referenced notice ("Petition"). This final rule adopts regulations implementing early warning reporting requirements of the Transportation Recall Enhancement, Accountability, and Documentation ("TREAD") Act. This submission also will respond to NHTSA's request for public comments on the recordkeeping and reporting burdens associated with these rules, pursuant to the Paperwork Reduction Act.

RVIA is a national trade association that represents manufacturers and component part suppliers of recreation vehicles ("RVs"), including motorhomes, travel trailers, fifth wheel trailers, folding camping trailers and truck campers, as well as conversion vehicle manufacturers who upfit vans, pickup trucks and sport utility vehicles ("CVs"). RVIA's members produce over 95% of all RVs (including 99% of all motorhomes) and approximately 90% of all CVs sold in the United States. At present, RVIA represents 38 motorhome manufacturers, with an estimated aggregate annual production of 49,200 motorhome units in 2001; 51 RVIA members that manufacture RV trailers, with an estimated aggregate annual production of over 197,700 trailer units in 2001; and 43 CV members, with an estimated aggregate annual production of approximately 64,200 CV units in 2001. Finally, RVIA also represents 248 supplier members that provide equipment, component parts and services to the RV industry.

In December 2001, NHTSA published in the Federal Register (66 FR 66190) a Notice of Proposed Rulemaking ("NPRM") for regulations implementing the TREAD early warning reporting requirements. In response to the NPRM, RVIA submitted extensive comments to NHTSA on February 4, 2002. These comments focused on several issues deemed to be of critical importance to the RV industry. Paramount among these concerns was RVIA's explanation that the vast majority of RV and CV manufacturers were small business and small volume manufacturers. Consequently, it was also explained that the expected man-hour and financial costs that will result from RV and CV manufacturer attempts to comply with these regulations could likely be disproportionately burdensome. Because of this likelihood, along with the fact that the superior safety performance of recreation vehicles can be demonstrated using historical data from NHTSA itself, RVIA suggested that it would be appropriate to only require RV and CV manufacturers to comply with the minimum reporting requirements for small volume producers. RVIA also asked NHTSA to take into account the fact that RVs are complex multistage vehicles that carry different warranties from several different manufacturers, and may even have different model years applied to the chassis and coach portions of the vehicles, making it almost impossible for a final stage manufacturer to have access to all the data required for reporting. The typical RV has several different warrantors for chassis components (e.g. the chassis frame, the engine, the transmission, etc.) and several dozen warrantors of the many household components in the non-vehicular living quarters. Finally, RVIA asked NHTSA to exclude the "house" portions of RVs from the systems required to be reported under the regulations since these functions were not vehicular and, we believe, outside the mandate of TREAD. Regrettably, none of RVIA's requests were incorporated into the final rule.

The main body of this Petition will address two topics in detail that RVIA believes NHTSA should reconsider. First, RVIA requests reconsideration and urges that the threshold vehicle production number that qualifies a small volume manufacturer for reduced reporting requirements be changed from 500 to 5,000 vehicles. The 5,000 vehicle figure is consistent and in harmony with similar NHTSA and other federal regulations. Second, RVIA requests reconsideration and urges that only RV vehicular systems be included in the data gathered pursuant to these regulations, and that the living facilities of RVs be specifically excluded. In addition, RVIA restates and requests reconsideration of all of the comments it submitted on February 4, 2002 pursuant to the NPRM, and endorses and joins the Petitions for Reconsideration submitted by the Alliance of Automobile Manufacturers, the Association of International Automobile Manufacturers and other affected manufacturers.

**RVIA requests reconsideration and urges that the threshold number of vehicles produced that qualifies a small volume manufacturer for reduced reporting requirements be set at 5,000 vehicles, to be consistent with similar NHTSA and other federal regulations.**

RVIA respectfully requests reconsideration of the 500 vehicle production threshold, below which a small volume manufacturer would be subject to reduced reporting requirements under the

regulations. RVIA contends that the appropriate threshold should instead be set at 5,000 vehicles produced, a number that is in harmony with similar NHTSA and other federal regulations. By setting this threshold at 5,000, NHTSA will not only be maintaining consistency with similar thresholds in Federal Motor Vehicle Safety Standards ("FVMSS"), but also with definitions of small volume manufactures that appear in regulations issued by the Environmental Protection Agency. A consistent threshold will allow small companies with limited resources to plan for proper compliance both now and in the future, and better demonstrates NHTSA's consideration of the disproportionate burden such regulations place upon small businesses.

In the past, NHTSA has traditionally tried to harmonize definitions that overlap different standards, regulations and/or CFR parts. The 500 vehicle per year limit for small or low volume manufacturers in this final rule is a clear departure from that position. For instance, small volume manufacturers have recently been defined as those producing less than 5,000 vehicles per year in the Advanced FVMSS 208 regulations, Section 14.1(d), and in the Preamble issued December 18, 2001 (66 Fed. Reg. No. 243 at 65400-65401). A similar 5,000 vehicle per year limit appears in the new FMVSS 138, issued June 5, 2002, at Section 7.6. This figure is also consistent with Environmental Protection Agency definitions, which use a definition of 15,000 vehicles per year for qualification as a small volume manufacturer, along with a subcategory of 5,000 vehicles per year for maximum exemption benefits (see 40 CFR Part 86.1845-04(b)(3) and Table S04-06). Establishing a 5,000 vehicle per year definition for small volume manufacturers in these final rules will maintain consistency and harmonization with current FVMSS and across agency boundaries.

The majority of RV and CV manufacturers are small businesses that produce a limited number of vehicles each year, compared with the huge automobile manufacturing corporations. There are vast differences in available resources between major motor vehicle manufacturers such as Ford Motor Company or General Motors Corporation and the small, specialized, low volume manufacturers that typify the RV and CV industries. The major corporations have many tens of thousands of employees, produce hundreds of thousands of vehicles and gross billions of dollars in sales revenue. Almost all of the RV and CV manufacturers (with few exceptions) are low volume manufacturers and "small entities" as defined in the Small Business Administration's Small Business Size Regulations, 13 CFR §121.201 (2000). No CV manufacturer has more than 500 employees and nearly all RV manufacturers have less than 1,000 employees, which are the limits prescribed by the SBA regulations. The largest CV manufacturer has fewer than 300 employees, while the smallest manufacturers employ less than 20. Although the largest RV manufacturers employ several thousand people, most companies have less than 500 employees, with the smallest manufacturer employing less than 35 people. Consequently, RV and CV manufacturers do not have anywhere close to the levels of personnel or monetary resources available for compliance with costly regulatory requirements. Moreover, such expenses cannot be distributed over millions of vehicles, as they can in the automotive industry.

These facts are contrary to NHTSA's assertion in its Paperwork Reduction Act Submission to the Office of Management and Budget (July 1, 2002) that the information collection intended under this final rule will not have a significant impact on a substantial number of small entities.

It should also be noted that raising the small volume manufacturer trigger for reduced reporting requirements to 5,000 vehicles per year will not compromise vehicle safety. As noted in RVIA's February 4, 2002 comments to the NPRM, NHTSA's own Fatal Analysis Reporting System ("FARS") data show RVs to be among the safest types of vehicles on the road, if not the safest. From 1996 through 1999, FARS data indicates that there were an average of 97 fatal accidents per year in the United States in which a motorhome was involved (these numbers include all accidents in which a motorhome was involved regardless of who was responsible for the accident; under these parameters, a drunk driver of a car who is killed when his car crosses over a yellow line and hits a motorhome head on would be included in the motorhome fatal accident category). This translates to .0011 fatalities for every 100,000 miles traveled in a motorhome.<sup>1</sup> In comparison, according to the FARS data, from 1996 through 1999 there were an average of 21,696 fatalities in which automobiles were involved. This translates to .00143 fatalities for every 100,000 miles traveled in an automobile.<sup>2</sup>

Similar statistics apply to RV towable products. According to the FARS data, from 1994 through 1999 there were an average of 441 fatal accidents per year in the United States in which a boat trailer, horse trailer, moving trailer, utility trailer or RV trailer was involved (FARS information does not differentiate among these types of trailers; it is certain that a great many of these accidents did not involve RV trailers). During that same period, FARS data shows there were an average of 3,885 fatal accidents per year in the United States involving all types of trailing units.

While admittedly there are fewer motorhomes and RV trailers on the road than there are passenger vehicles, the number of fatal accidents is remarkably low and evidences a regulatory system that is already working well for consumers and has demonstrably led to the production of safe vehicles by the RV industry.

For all of the reasons stated herein, RVIA requests that the final rules be amended to define a small volume manufacturer as one producing up to 5,000 vehicles per year, and that the reduced early warning reporting requirements be applied to all such qualifying manufacturers. In the alternative, RVIA requests that the 5,000 vehicle per year figure be explicitly applied to RV and CV manufacturers, and that such qualifying RV and CV manufacturers be subject to the reduced early warning reporting requirements. Such application of reduced requirements is justified by both the unduly burdensome affect these regulations will have on the predominantly small business RV and CV manufacturers and the proven track record of greater safety these vehicles have established vis-à-vis automobiles.

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<sup>1</sup> Based on industry data, RVIA estimates that in each of the years 1996 through 1999 an average of 1,700,000 motorhomes were registered in the United States and were each driven an average of 5,400 miles per year.  $1,700,000 \text{ (average number of motorhomes registered in the United States)} \times 5,400 \text{ (average number of miles each motorhome is driven each year)} = 9,180,000,000 \text{ (total combined estimated miles driven by all motorhomes per year)}$ . Divide this into 97 (average number of fatalities per year) = .0000001056 (number of fatalities per mile). Multiply .0000001056 by 100,000 to determine the number of fatalities per 100,000 vehicle miles traveled = .0011.

<sup>2</sup> Based on Federal Highway Administration data, in each of the years from 1996 through 1999 an average of 130,936,907 cars were registered in the United States and were each driven an average of 11,627 miles per year.  $130,936,907 \text{ (average number of cars registered in the United States)} \times 11,627 \text{ (average number of miles each car is driven each year)} = 1,522,415,044,689 \text{ (total combined estimated miles driven by all cars per year)}$ . Divide this into 21,696 (average number of fatalities per year) = .0000001425 (number of fatalities per mile). Multiply .0000001425 by 100,000 to determine the number of fatalities per 100,000 vehicle miles traveled = .00143



**RVIA requests reconsideration and urges that only the vehicular systems of RVs be included in the data gathered pursuant to these regulations, and that the living facilities of RVs be specifically excluded.**

RVIA respectfully requests reconsideration of the omission in the final rules of any provisions explicitly limiting application of the early warning reporting requirements to the chassis and related automotive systems of motorhomes and travel trailers. As a consequence of this omission, these rules will require RV manufacturers to intermingle data on the non-vehicular living facilities of these units along with the relevant vehicular systems information. Such a result, we believe, is beyond the purview of the TREAD Act, will place additional and difficult reporting burdens on RV manufacturers, and will be of little utility in providing early warning of possible automotive defects.

RVs are basically houses on wheels. Consequently, they contain a unique mixture of both vehicular and living quarters systems. These systems, although present in the motorhome or travel trailer, are not a part of the vehicular system and are not used in any vehicular function. The intent of the Tread Act is -- as it should be -- focused on the vehicular attributes of vehicles. RV housing amenities should not be covered and, we believe, were not intended by Congress to be covered by TREAD. Including coverage of living facility components in the early warning requirements is unduly burdensome on RV manufacturers, and also threatens to distract NHTSA from fulfilling its mission by unleashing a confusing flood of data about non-vehicular things such as kitchen appliances or large-screen televisions (that may overbroadly be included by NHTSA under the "electrical system" category as stated in the rules), shower stall walls ("structure"), 15 watt interior closet lights ("lighting"), cabinet door handles ("latches") and the like.

Of particular concern in this regard is the definition of "fire" that appears in the final rule (67 Fed. Reg. No. 132 at 45875):

*"Fire means combustion or burning of any material in a vehicle as evidenced by, but not limited to, flame, smoke, sparks, or smoldering."*

RVIA acknowledges NHTSA's response to its original comment (67 Fed. Reg. No. 132 at 45832) in which the agency said, "We note that the Vehicle Safety Act provides that 'motor vehicle safety' includes 'nonoperational safety of a motor vehicle' 49 U.S.C. 30102(a)(8)." However, we believe that this interpretation of the term "nonoperational safety," when applied to RVs instead of more typical vehicles, is overly broad and exceeds the intent of TREAD. As an example, fires in the vehicle may be non-vehicular related. If an RV owner parks a motorhome at a campground where it remains stationary for two weeks, and the owner negligently causes a fire by spilling a little bacon grease in the RV one morning ... that incident, if it is reported to the dealer and/or manufacturer by the consumer, would count as a "vehicle" fire under the current rules. If the warming element of an automatic coffeemaker in a parked RV has a fault and releases a wisp of smolder before shutting down completely ... that incident would also count as a

reportable vehicle fire. RVIA believes these are household concerns, not vehicular problems. As such, their regulation should be, and is, covered by the Consumer Product Safety Commission. At the very least, the definition of "fire" as it appears in the final rule should be modified to correct this currently inherent problem of unintended overbreadth.

It is already recognized that manufacturers likely will incur significant time and expense in complying with the requirements related to automotive early warning reporting. If these obligations are combined with additional and unnecessary reporting requirements for RV household components, the resulting burden on RV manufacturers will be overwhelming. It is important to note that while NHTSA recognizes there are some 14,000 parts and components in a passenger car, this figure is dwarfed when added to the household parts and components found in the typical RV. Even if there was some value to NHTSA in receiving data on RV household components, a point very much in doubt, such reporting requirements would inevitably lead to double and triple (or more) reporting of incidents because of the number of warrantors for each vehicle. The typical RV has several dozen warranties from completely separate warrantors applicable to various household appliance items.

Many states recognize that motorhomes are unique vehicles and, as a result, take these unique characteristics reasonably into account under certain motor vehicle statutes. For example, in those states where motorhomes are included in the states' motor vehicle lemon laws, the overwhelming majority of these statutes only cover the motorhome chassis; the vehicle's living facilities are specifically excluded. RVIA recommends that a similar approach be adopted for the early warning requirements by explicitly stating that the coverage of such requirements is limited to motorhome or trailer chassis and their related automotive systems.

**To the extent issues are not specifically addressed in this Petition, RVIA restates and respectfully requests reconsideration of all of its comments as submitted on February 4, 2002 pursuant to the NPRM. In addition, RVIA hereby endorses and joins the Petitions for Reconsideration submitted by the Alliance of Automobile Manufacturers, the Association of International Automobile Manufacturers and other affected manufacturers.**

Rather than provide NHTSA with redundant information, RVIA has focused its Petition on those issues uniquely critical to the RV and CV industries, with particular emphasis on the small volume manufacturer and RV living quarters concerns. However, RVIA also requests that NHTSA revisit and reconsider all of its comments that were submitted on February 4, 2002 pursuant to the NPRM. Finally, although RVIA has not specifically commented on other issues such as the burden associated with the proposed one-time historic report, confidentiality concerns, or definitional ambiguities, on these topics and others RVIA supports the comments and concerns raised by the Alliance of Automobile Manufacturers, the Association of International Automobile Manufacturers and other affected manufacturers.

**RVIA appreciates having this opportunity to participate in this rulemaking process to provide the foregoing comments on this final rule. Further, RVIA respectfully requests that NHTSA take into consideration the issues here raised, the unique differences between RVs and virtually all other vehicles, and the disproportionate burden that small RV and CV businesses will experience in complying with the early warning requirements.**

**Sincerely,**

**Bruce A. Hopkins  
Vice President, Standards and Education**



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# **THE WORK TRUCK SHOW**

**MARCH 3, 4, 5  
ATLANTA, GA**

Held in conjunction  
with the 38th Annual NTEA  
Convention March 2-5

August 9, 2002

Administrator  
400 Seventh Street, SW  
Washington, DC 20590

Attn: Docket No. NHTSA 2001-8677; Notice 3

### **Petition for Reconsideration**

The National Truck Equipment Association (NTEA) is submitting this petition for reconsideration to the final rule published by the National Highway Traffic Safety Administration in the July 10, 2002 Federal Register on "Reporting of Information and Documents About Potential Defects Retention of Records That Could Indicate Defects."

The NTEA requests that NHTSA reconsider the small volume manufacturer exclusion and increase it from 500 total vehicles to 2,500 per model with a manufacturer total of 10,000, as is currently codified in the temporary exemption provisions of 49 CFR Part 555. This change would significantly reduce the burden on small business final stage manufacturers and alterers while preserving statistically significant information for the Agency.

### **Small Volume Manufacturers**

The NTEA agrees with NHTSA's initial determination that small manufacturers, including most multi-stage manufacturers, should operate under different reporting regulations than multi-billion dollar auto manufacturers. Small volume manufacturers, by definition, build fewer vehicles and will have fewer, if any, incidents to report. Additionally, small companies have less staff available to compile such reports.

Relatively speaking, if all the reporting requirements were identical, the smaller the company, the greater their cost. Anecdotally, we have been told by one manufacturer that marginally qualifies under the full reporting requirements that they initially plan on having to hire one full time employee to address the requirements of this rule. While one employee may not seem

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like a lot, for a relatively small business in a questionable economy, hiring one employee that can not contribute to productivity is significant.

### **Small Manufacturer Size**

NHTSA's final rule provides regulatory relief for manufacturers of less than 500 total vehicles. The NTEA feels it is important to recognize that in this instance the total number of vehicles produced by a manufacturer may be less important than the vehicles produced per model. Generally speaking, work-related trucks produced by multi-stage vehicle manufacturers are done in limited runs, in many cases they are custom ordered. Hence, a company that produces 150 trucks per year may be building 75 or 100 different models. Statistically, there is virtually no "early warning" value to their quarterly reports, even if there happens to be anything to report. Similarly, the data provided by a company that produces 500 total vehicles, when that total represents a number of different models or configurations, is far less statistically significant than that from a company producing 500 identical vehicles.

The NTEA suggests that NHTSA consider both manufacturer and model totals. In its own regulations as it pertains to temporary exemptions from safety standards (49 CFR Part 555) both numbers are considered. This section limits the exemption to manufacturers of no more than 10,000 vehicle per year in total and no more than 2,500 vehicles for the actual exemption. In the case of this reporting requirement, the reduced reporting requirements could be limited to manufacturers of no more than 10,000 vehicles per year and 2,500 vehicles per model. This would reduce the burden on both NHTSA and the small business manufacturer while still allowing for any statistically valid data to be reported.

While the NTEA feels that the 10,000 vehicle total and 2,500 vehicle per model limit makes sense, if NHTSA disagrees, we would request that the agency at least consider an exclusion for manufacturers of no more than 2,500 vehicles per year.

### **Truck Body and Equipment Industry Totals**

Although most NTEA member companies fall within the current exception for less than 500 vehicles, a significant number of these companies will not so qualify. While these companies may produce over 500 vehicles in total, many of them still fall within the Small Business Administrations definition of a small business for this industry.

The NTEA estimates that there may be as many as 250 final stage manufacturers or alterers producing a total of 500 or more vehicles per year. Of those 250 companies, the NTEA estimates that approximately 100 produce

between 500 and 1,000 vehicles per year. Approximately 75 companies produce between 1001 and 2,000 vehicles with perhaps 50 companies producing between 2001 and 2,500. The NTEA estimates that 25 final stage manufacturers or alterers produce over 2,500 vehicles per year in the commercial or vocational truck body and equipment industry.

### **Data Storage and Delivery**

In its Regulatory Flexibility Act statement, NHTSA says, "...Even though some small businesses would be reporting on more categories of information and at more frequent intervals, the total number of reportable communications would probably be low enough that the company would be able to use its existing computers with commercially available software to prepare its reports, without having to invest in a new computer system." (67 Fed. Reg. 45870).

With regard to data submission by small businesses, NHTSA states, "For small manufacturers, which only need to submit minimal amounts of data, we are establishing an interactive form reachable through a link on our web site that may be filled out by manual data entry by the submitter. This method will require completing a form for each incident, with fields for each of the required data elements. A manufacturer ID and a secure password will be needed for these reports as well, to prevent the data from being corrupted.

"Paper documents, computer printouts, or similar non-electronic submissions of this data will not be acceptable." (67 Fed Reg 45865).

The NTEA disagrees that all small businesses subject to this regulation's requirements will currently be capable of preparing and transmitting these reports to NHTSA without investing in new equipment. Software and database reports will take considerable amounts of money and time to develop for some of these companies. These smaller manufacturers do not necessarily have the hardware or software to store and submit the information electronically.

A recent survey by the NTEA found that approximately 30% of the member companies did not have a company web site and 20% did not have an e-mail address. This indicates a not insignificant number of companies likely do not have internet access at this time.

### **The NTEA**

The National Truck Equipment Association (NTEA) is the nation's only trade association representing distributors and manufacturers of multi-stage produced, work related trucks, truck bodies and equipment. The NTEA also represents various industry-related firms and organizations. The NTEA currently has over 1,500 member companies located throughout the nation. Most NTEA members are small businesses that sell on a local or regional basis.